

**FISCAL MEMORANDUM
HB 930 – SB 1300**

May 30, 2007

SUMMARY OF AMENDMENT (009688): Deletes the language of the original bill and revises the reporting requirements for lessees receiving abatement of local property taxes. Lessees would be required to submit such information to the State Board of Equalization and to the local property assessor in the county where such property is located. Authorizes local assessors to audit the information submitted for such properties. Revises the way late filing penalties are paid and imposes a thirty day deadline before an additional \$500 penalty is due.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$170,000

Increase Local Govt. Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase Local Govt. Expenditures –
Exceeds \$127,000/Permissive**

Assumptions applied to amendment:

- Approximately 850 reports are filed annually.
- Approximately 15% (127) of these reports would be audited each year if audits were on a six-year cycle.
- A cost of \$1,000 per audit.
- Some local governments may need additional staff persons or other resources to conduct the audits authorized by the bill.
- The audits authorized in the bill are not required. As a result, any such expenditure by local governments is permissive.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

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